Fig. 1
prior art

900

| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | **Present savings arrangement** | | | | |
| 2 | annual salary | $150,000.00 | **Funds available for retirement** | | |
| 3 | salary increment | 3.00% | **$351,649** | | |
| 4 | superannuation contrib | 9.00% | | | |
| 5 | investment yield | 5.00% | | | |
| 6 | year | salary | super. Contrib. (P -> P.S. Fund) | funds available for investment | annual return from investment |
| 7 | 1 | $150,000.00 | $13,500.00 | $13,500.00 | $675.00 |
| 8 | 2 | $154,500.00 | $13,905.00 | $28,080.00 | $1,404.00 |
| 9 | 3 | $159,135.00 | $14,322.15 | $43,806.15 | $2,190.31 |
| 10 | 4 | $163,909.05 | $14,751.81 | $60,748.27 | $3,037.41 |
| 11 | 5 | $168,826.32 | $15,194.37 | $78,980.05 | $3,949.00 |
| 12 | 6 | $173,891.11 | $15,650.20 | $98,579.26 | $4,928.96 |
| 13 | 7 | $179,107.84 | $16,119.71 | $119,627.93 | $5,981.40 |
| 14 | 8 | $184,481.08 | $16,603.30 | $142,212.62 | $7,110.63 |
| 15 | 9 | $190,015.51 | $17,101.40 | $166,424.65 | $8,321.23 |
| 16 | 10 | $195,715.98 | $17,614.44 | $192,360.32 | $9,618.02 |
| 17 | 11 | $201,587.46 | $18,142.87 | $220,121.20 | $11,006.06 |
| 18 | 12 | $207,635.08 | $18,687.16 | $249,814.42 | $12,490.72 |
| 19 | 13 | $213,864.13 | $19,247.77 | $281,552.91 | $14,077.65 |
| 20 | 14 | $220,280.06 | $19,825.21 | $315,455.77 | $15,772.79 |
| 21 | 15 | $226,888.46 | $20,419.96 | $351,648.51 | |

Fig. 2
prior art

100

101

House 102

105
security

104
request

108
regular
payment

111
loan
rep'mt

Loan
Account

107

106
approve
loan

Bank 103

109
interest accumulation

Interest
Account

110
interest
tracking
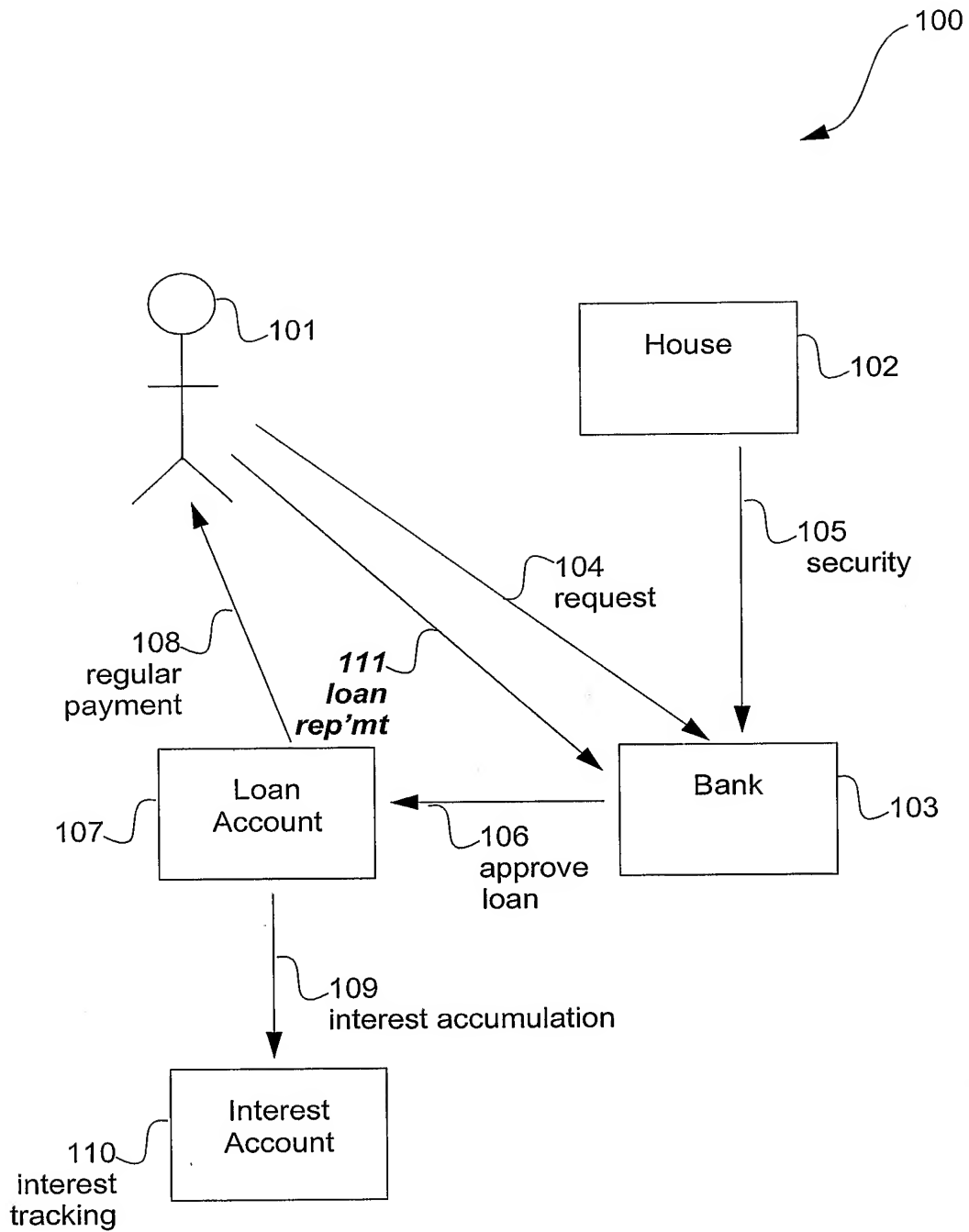
**Fig. 3**
**prior art**

200

| | A | B | C | D | E | F |
|---|---|---|---|---|---|---|
| 1 | Reverse Mortgage Arrangement | | | | | |
| 2 | value of property | $1,000,000.00 | Amount to be repaid (Retiree > bank) after 15 yrs | | | |
| 3 | amount of loan | $450,000.00 | $955,899.24 | | | |
| 4 | interest | 8.95% | | | | |
| 5 | loan term | 15 | | | | |
| 6 | annual payment | $30,000.00 | | | | |
| 7 | home value increase rate | 3.10% | | | | |
| 8 | year | payment | capital owed | interest owed | total owed | home value |
| 9 | 1 | $30,000.00 | $30,000.00 | $2,685.00 | $32,685.00 | $1,000,000.00 |
| 10 | 2 | $30,000.00 | $60,000.00 | $5,610.31 | $68,295.31 | $1,031,000.00 |
| 11 | 3 | $30,000.00 | $90,000.00 | $8,797.43 | $107,092.74 | $1,062,961.00 |
| 12 | 4 | $30,000.00 | $120,000.00 | $12,269.80 | $149,362.54 | $1,095,912.79 |
| 13 | 5 | $30,000.00 | $150,000.00 | $16,052.95 | $195,415.48 | $1,129,886.09 |
| 14 | 6 | $30,000.00 | $180,000.00 | $20,174.69 | $245,590.17 | $1,164,912.56 |
| 15 | 7 | $30,000.00 | $210,000.00 | $24,665.32 | $300,255.49 | $1,201,024.85 |
| 16 | 8 | $30,000.00 | $240,000.00 | $29,557.87 | $359,813.36 | $1,238,256.62 |
| 17 | 9 | $30,000.00 | $270,000.00 | $34,888.30 | $424,701.65 | $1,276,642.57 |
| 18 | 10 | $30,000.00 | $300,000.00 | $40,695.80 | $495,397.45 | $1,316,218.49 |
| 19 | 11 | $30,000.00 | $330,000.00 | $47,023.07 | $572,420.52 | $1,357,021.26 |
| 20 | 12 | $30,000.00 | $360,000.00 | $53,916.64 | $656,337.16 | $1,399,088.92 |
| 21 | 13 | $30,000.00 | $390,000.00 | $61,427.18 | $747,764.33 | $1,442,460.68 |
| 22 | 14 | $30,000.00 | $420,000.00 | $69,609.91 | $847,374.24 | $1,487,176.96 |
| 23 | 15 | $30,000.00 | $450,000.00 | $78,524.99 | $955,899.24 | $1,533,279.45 |

Fig. 4
prior art

2200

Start — 2201

NO — Is sufficient equity available? — 2202

YES

Elect Savings / investment vehicle? — 2203

YES → Elect equity-based retirement savings vehicle — 2204

– see Fig. 6

2205    2208

NO

Elect Retirement vehicle? — 2206

YES → Elect life-expectancy retirement annuity vehicle — 2207

– see Fig. 9 or Fig. 12

NO

Fig. 5

800

805
Service pro-
vider Invest-
ment vehicle X

812 yield on
investments A

811 invest

820 yield on
investments B

826

819
invest-
ment

Service pro-
vider Invest-
ment vehicle Y

825

804

818

802
House

814 profit

806
Service
Provider
Profit a/c

809 security

823 savings

824 regular payout (less interest & admin fee)

Service Provider

SP Fund A

SP Fund B

801 (person)

702' income
(see Fig. 7)

807 request

817 loan
repayment

808
arrange

810
loan

816 simple interest
paid to Financier

821 benefit

822 amount saved
for retirement

803
Financier

Savings

Fig. 6

1300

Start  —1301

1307

Person logs onto
SP web site and
reviews product  —1302

Person files a
request on the
web site  —1303

SP reviews performance
of SP funds A and B and
determines attributes of
loan required  —1304

SP identifies attributes of
investment vehicles for
funds, and arranges loan
with financier  —1305

SP advises person of
agreement terms and
requests agreement exe-
cution  —1306

Person and SP
execute agree-
ment using PKE
and digital signa-
ture method  —1308

SP arranges for
security on Persons
home to be trans-
ferred to financier  —1309

Financier trans-
fers loan to SP  —1310

Person periodically
deposits savings
contributions with
SP for Fund B  —1311

SP makes periodic transfers
from Fund A -> B, adds
rewards, deducts and applies
fees & charges, and invests
residual of loan in Fund A  —1312

1314

term
of loan
expired?  —1313

NO

YES

Person pays back prin-
cipal to financier  —1315

END  —1316

Fig. 7

1000

| | A | B | C | D | E |
|---|---|---|---|---|---|
| 1 | Retirement savings arrangement | | | | |
| 2 | equity in property | | | $500,000 | |
| 3 | amount of loan (financier -> SP) | | | $225,000 | |
| 4 | simple interest (SP -> financier) | | | 5.00% | Funds available for retirement |
| 5 | simple interest (P -> SP) | | | 8.95% | $418,120.96 |
| 6 | loan term | | | 15 | |
| 7 | annual payout (SP -> SP Fund B) | | | $15,000 | |
| 8 | admin charge (Retiree > SP) | | | 1.00% | |
| 9 | annual salary (PA) | | | .$150,000 | |
| 10 | salary increment (PA) | | | 3.00% | |
| 11 | Superannuation contribution | | | 9.00% | |
| 12 | Investment yield on SP Fund A | | | 8.95% | |
| 13 | Investment yield on SP Fund B | | | 5.00% | |
| 14 | home value increase rate | | | 3.10% | |
| 15 | balance of SP Fund B available at term | | | $418,120.96 | |

| year | salary | Gross annual savings (super. Contrib.) (P -> S.P. Fund B) | Loan payout (SP fund A -> SP fund B) | Annual interest (P -> SP) | Annual admin fee (P -> SP) | Net annual Loan payout (SP fund A -> SP fund B) | SP Fund B available for investment | Annual return from SP Fund B | Annual interest (SP -> financier) | SP Fund A available for investment | Annual return from SP Fund A | Home market value |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | $150,000.00 | $13,500.00 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $27,007.50 | $1,350.38 | $11,250.00 | $200,242.50 | $17,921.70 | $500,000.00 |
| 2 | $154,500.00 | $13,905.00 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $55,770.38 | $2,788.52 | $11,250.00 | $193,406.70 | $17,309.90 | $515,500.00 |
| 3 | $159,135.00 | $14,322.15 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $86,388.54 | $4,319.43 | $11,250.00 | $185,959.10 | $16,643.34 | $531,480.50 |
| 4 | $163,909.05 | $14,751.81 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $118,967.29 | $5,948.36 | $11,250.00 | $177,844.94 | $15,917.12 | $547,956.40 |
| 5 | $168,826.32 | $15,194.37 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $153,617.52 | $7,680.88 | $11,250.00 | $169,004.57 | $15,125.91 | $564,943.04 |
| 6 | $173,891.11 | $15,650.20 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $190,456.09 | $9,522.80 | $11,250.00 | $159,372.97 | $14,263.88 | $582,456.28 |
| 7 | $179,107.84 | $16,119.71 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $229,606.11 | $11,480.31 | $11,250.00 | $148,879.36 | $13,324.70 | $600,512.42 |
| 8 | $184,481.08 | $16,603.30 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $271,197.21 | $13,559.86 | $11,250.00 | $137,446.56 | $12,301.47 | $619,128.31 |
| 9 | $190,015.51 | $17,101.40 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $315,365.96 | $15,768.30 | $11,250.00 | $124,990.53 | $11,186.65 | $638,321.29 |
| 10 | $195,715.98 | $17,614.44 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $362,256.20 | $18,112.81 | $11,250.00 | $111,419.68 | $9,972.06 | $658,109.25 |
| 11 | $201,587.46 | $18,142.87 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $412,019.38 | $20,600.97 | $11,250.00 | $96,634.24 | $8,648.76 | $678,510.63 |
| 12 | $207,635.08 | $18,687.16 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $464,815.01 | $23,240.75 | $11,250.00 | $80,525.50 | $7,207.03 | $699,544.46 |
| 13 | $213,864.13 | $19,247.77 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $520,811.03 | $26,040.55 | $11,250.00 | $62,975.04 | $5,636.27 | $721,230.34 |
| 14 | $220,280.06 | $19,825.21 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $580,184.29 | $29,009.21 | $11,250.00 | $43,853.80 | $3,924.92 | $743,588.48 |
| 15 | $226,888.46 | $20,419.96 | $15,000.00 | $1,342.50 | $150.00 | $13,507.50 | $643,120.96 | | $11,250.00 | $23,021.22 | | $766,639.72 |

Fig. 8

Fig. 9

500

Start `501`

507

Retiree logs onto SP web site and reviews product `502`

Retiree files a request on the web site `503`

SP reviews SP fund performance and determines attributes of loan required `504`

SP identifies attributes of investment vehicle for loan, and arranges loan with financier `505`

SP advises retiree of agreement terms and requests agreement execution `506`

Retiree and SP execute agreement using PKE and digital signature method `508`

SP arranges for security on retiree home to be transferred to financier `509`

Financier transfers loan to SP `510`

SP makes periodic payment to retiree, adds rewards, deducts and applies fees & charges, and invests residual of loan in investment vehicles(s) `511`

515

term of loan expired? `512`

NO

YES

Retiree pays back principal to financier `513`

END `514`

Fig. 10

500

| | A | B | C | D | E | F | G | H |
|---|---|---|---|---|---|---|---|---|
| 1 | Retirement Annuity Arrangement | | | | | | | |
| 2 | value of property | $1,000,000.00 | Retiree annual payments + loan repayment after 15 yrs (Retiree > Financier) | | | | | |
| 3 | amount of loan | $450,000.00 | $495,274.66 | | | | | |
| 4 | interest (SP > Financier) | 4.67% | | | | | | |
| 5 | interest (Retiree > SP) | 8.95% | | | | | | |
| 6 | interest (Money Market > SP) | 8.95% | | | | | | |
| 7 | admin charge (Retiree > SP) | 0.20% | | | | | | |
| 8 | loan term (term) | 15 | | | | | | |
| 9 | annual payment | $32,987.00 | | | | | | |
| 10 | year | annual payment: SP > Retiree | annual interest: Retiree > SP | annual admin charge: Retiree > SP | annual net payment: SP > Retiree | annual interest: SP > Financier | SP Funds in Money Market | annual interest: Money Market > SP |
| 11 | 1 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $398,950.34 | $35,706.06 |
| 12 | 2 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $383,606.73 | $34,332.80 |
| 13 | 3 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $366,889.87 | $32,836.64 |
| 14 | 4 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $348,676.85 | $31,206.58 |
| 15 | 5 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $328,833.76 | $29,430.62 |
| 16 | 6 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $307,214.72 | $27,495.72 |
| 17 | 7 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $283,660.77 | $25,387.64 |
| 18 | 8 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $257,998.75 | $23,090.89 |
| 19 | 9 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $230,039.97 | $20,588.58 |
| 20 | 10 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $199,578.89 | $17,862.31 |
| 21 | 11 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $166,391.53 | $14,892.04 |
| 22 | 12 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $130,233.91 | $11,655.94 |
| 23 | 13 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $90,840.18 | $8,130.20 |
| 24 | 14 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $47,920.72 | $4,288.90 |
| 25 | 15 | $32,987.00 | $2,952.34 | $65.97 | $29,968.69 | $21,015.00 | $1,159.96 | $103.82 |

Fig. 11

Fig. 12

1100

| | A | B | C | D | E | F | G | H | I | J |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Retirement Annuity Arrangement | | | | | | | | | |
| 2 | value of property | $1,000,000.00 | | | | | | | | |
| 3 | amount of loan | $450,000.00 | Retiree annual payments + loan repayment after 15 yrs (Retiree > Financier) | | | | | | | |
| 4 | initial lump sum | $418,120.96 | $496,543.66 | | | | | | | |
| 5 | interest (SP -> Financier) | 4.67% | | | | | | | | |
| 6 | interest on loan payouts (Retiree -> SP) | 8.95% | | | | | | | | |
| 7 | interest on lump sum payouts (Retiree -> SP) | 0.00% | | | | | | | | |
| 8 | interest (Money Market -> SP) | 8.95% | | | | | | | | |
| 9 | admin charge (Retiree -> SP) | 0.20% | | | | | | | | |
| 10 | loan term (term) | 15 | | | | | | | | |
| 11 | annual payout from loan (SP -> R) | $32,987.00 | | | | | | | | |
| 12 | annual payout from lump sum (SP ->R) | $42,300.00 | | | | | | | | |
| 13 | year | annual payment: SP -> Retiree | annual interest on loan component: Retiree -> SP | annual interest on lump sum component: Retiree -> | total annual interest charges Retiree -> SP | annual admin charge: Retiree -> SP | annual net payment: SP - > Retiree | annual interest: SP -> Financier | SP Funds in Money Market | annual interest: Money Market -> SP |
| 14 | 1 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $774,771.30 | $69,342.03 |
| 15 | 2 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $750,763.67 | $67,193.35 |
| 16 | 3 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $724,607.35 | $64,852.36 |
| 17 | 4 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $696,110.05 | $62,301.85 |
| 18 | 5 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $665,062.23 | $59,523.07 |
| 19 | 6 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $631,235.64 | $56,495.59 |
| 20 | 7 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $594,381.56 | $53,197.15 |
| 21 | 8 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $554,229.05 | $49,603.50 |
| 22 | 9 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $510,482.89 | $45,688.22 |
| 23 | 10 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $462,821.44 | $41,422.52 |
| 24 | 11 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $410,894.30 | $36,775.04 |
| 25 | 12 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $354,319.67 | $31,711.61 |
| 26 | 13 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $292,681.62 | $26,195.01 |
| 27 | 14 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $225,526.96 | $20,184.66 |
| 28 | 15 | $75,287.00 | $2,952.34 | $0.00 | $2,952.34 | $150.57 | $72,184.09 | $21,015.00 | $152,361.96 | $13,636.40 |

Fig. 13

600

626

622

629

627    628

623    624

625

Computer
Network

615

620

Printer

621

616

614

617

Video
Display

Modem

607

608

610    611

601

609

Audio-Video
Interface

I/O
Interface

HDD | FDD

Storage Device

604

Processor

I/O
Interface

Memory

CD-ROM

605

613

606

612

Keyboard

602

603
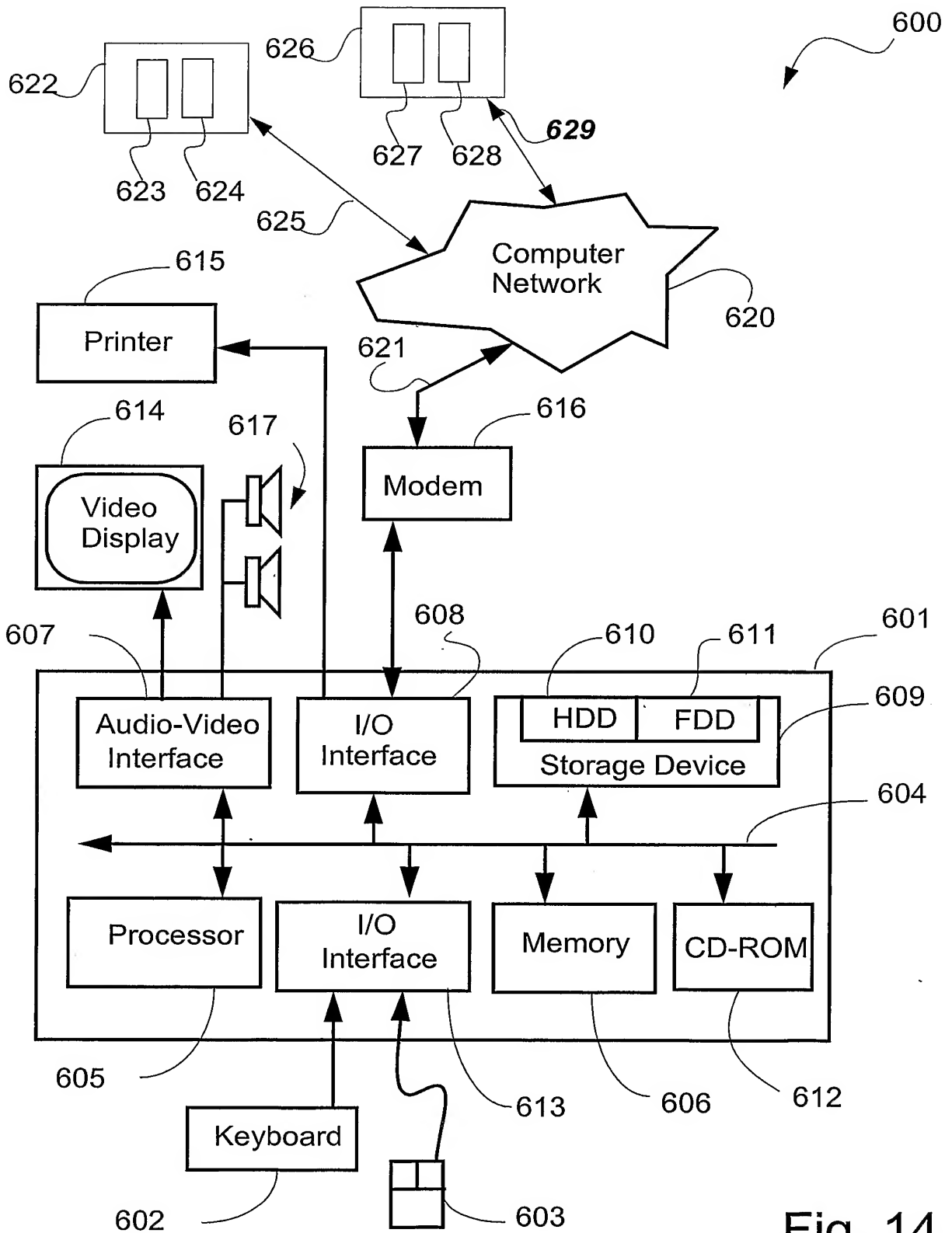
Fig. 14

100

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| 1 | INPUTS | | | OUTPUTS | | | |
| 2 | value of house | $1,000,000 | | maximum loan amount | $400,000 | extra cost incurred (Scenario 1) | $180,994 |
| 3 | maximum loan proportion | 40.00% | | gross annual payment SP > R | $26,666.67 | loan to be repaid at end of term (Scenario 1) | $580,994 |
| 4 | interest rate R->SP | 8.50% | | interest payment per period R -> SP | $2,266.67 | loan to be repaid at end of term (Scenario 1) | $356,877 |
| 5 | service charge R->SP | 2.00% | | service charge payment per payment R -> SP | $533.33 | | |
| 6 | interest rate SP-> financier | 5.50% | | total retiree outgoings per annum | $2,800.00 | | |
| 7 | loan term | 15 | | net annual payment to retiree SP > R | $23,866.67 | | |
| 8 | market yield threshold | 9.40% | | annual payment SP > F | $22,000.00 | | |

Fig. 15

200

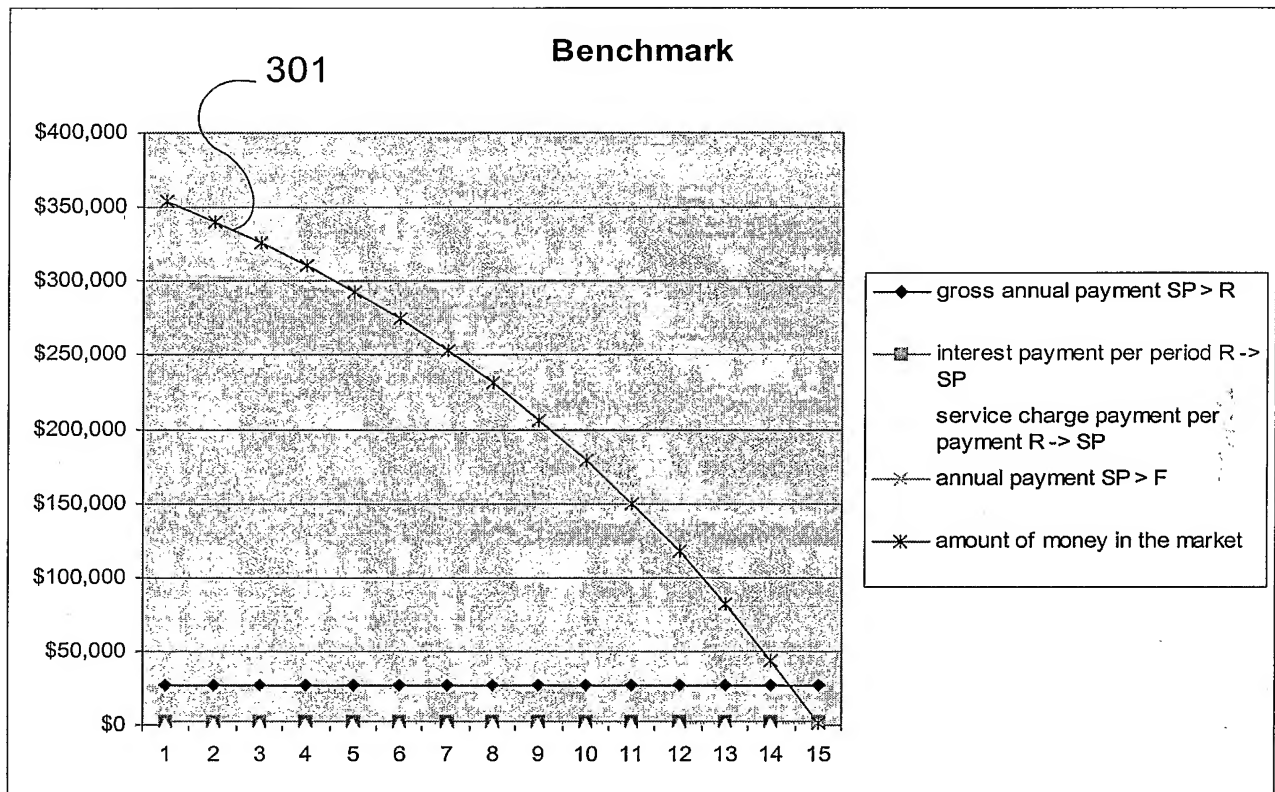| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| 9 | | **BENCHMARK** | | | | | |
| 10 | year | gross annual payment SP > R | interest payment per period R -> SP | service charge payment per payment R -> SP | annual payment SP > F | amount of money in the market | earnings on money in market |
| 11 | 1 | $26,667 | $2,267 | $533 | $22,000 | $353,600 | $33,238 |
| 12 | 2 | $26,667 | $2,267 | $533 | $22,000 | $340,438 | $32,001 |
| 13 | 3 | $26,667 | $2,267 | $533 | $22,000 | $326,040 | $30,648 |
| 14 | 4 | $26,667 | $2,267 | $533 | $22,000 | $310,287 | $29,167 |
| 15 | 5 | $26,667 | $2,267 | $533 | $22,000 | $293,054 | $27,547 |
| 16 | 6 | $26,667 | $2,267 | $533 | $22,000 | $274,201 | $25,775 |
| 17 | 7 | $26,667 | $2,267 | $533 | $22,000 | $253,576 | $23,836 |
| 18 | 8 | $26,667 | $2,267 | $533 | $22,000 | $231,013 | $21,715 |
| 19 | 9 | $26,667 | $2,267 | $533 | $22,000 | $206,328 | $19,395 |
| 20 | 10 | $26,667 | $2,267 | $533 | $22,000 | $179,323 | $16,856 |
| 21 | 11 | $26,667 | $2,267 | $533 | $22,000 | $149,779 | $14,079 |
| 22 | 12 | $26,667 | $2,267 | $533 | $22,000 | $117,458 | $11,041 |
| 23 | 13 | $26,667 | $2,267 | $533 | $22,000 | $82,099 | $7,717 |
| 24 | 14 | $26,667 | $2,267 | $533 | $22,000 | $43,416 | $4,081 |
| 25 | 15 | $26,667 | $2,267 | $533 | $22,000 | $1,098 | $103 |

Fig. 16

300

**Benchmark**

301



Legend:
- gross annual payment SP > R
- interest payment per period R -> SP
- service charge payment per payment R -> SP
- annual payment SP > F
- amount of money in the market

| | D | E |
|---|---|---|
| 2 | maximum loan amount | $400,000 |

302

**Fig. 17**

400
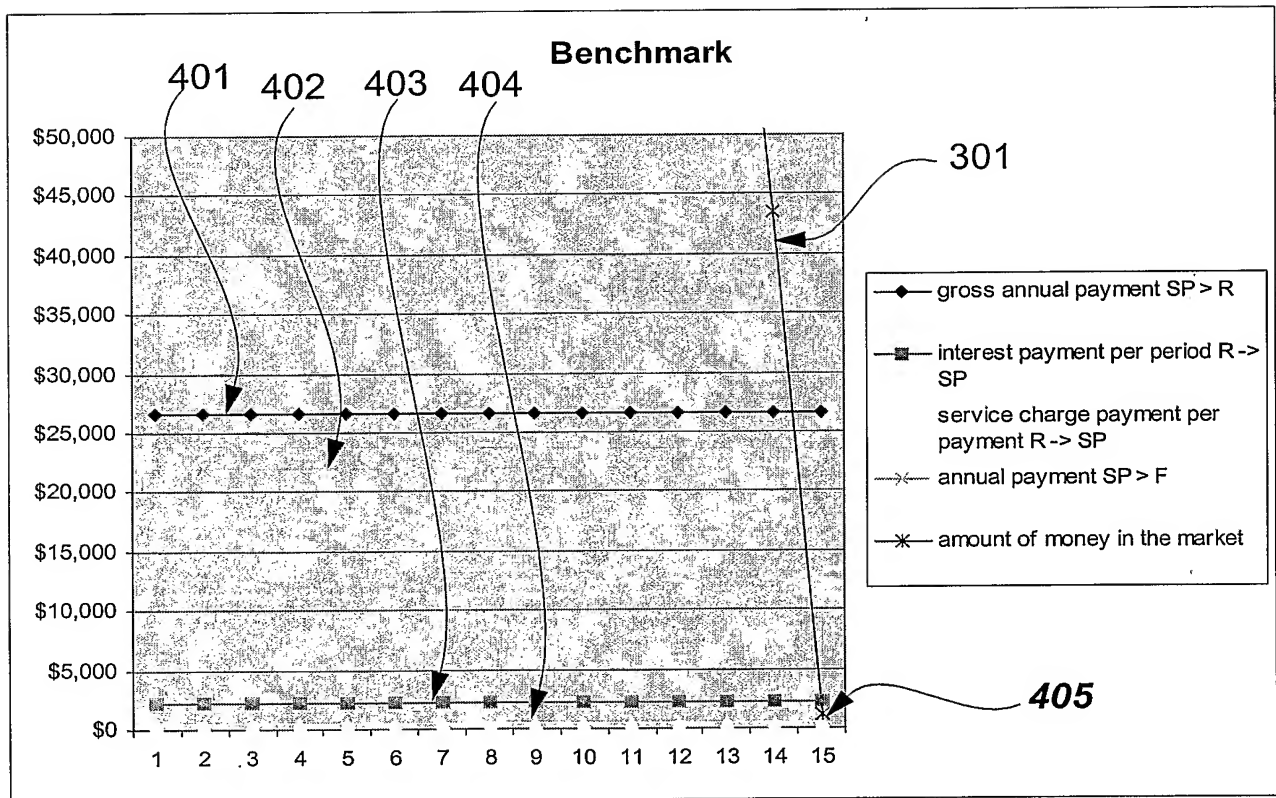


Fig. 18

500

| | H | I | J | K | L | M |
|---|---|---|---|---|---|---|
| 9 | SCENARIO 1 | | | | | |
| 10 | market yield | amount of money in the market | earnings on money in market | deviation from benchmark | additional loan needed | capitalised interest on each additional loan |
| 11 | 9.40% | $353,600 | $33,238 | $0 | | |
| 12 | 9.40% | $340,438 | $32,001 | $0 | | |
| 13 | 10.00% | $326,040 | $32,604 | $0 | | |
| 14 | 11.00% | $312,244 | $34,347 | $1,956 | | |
| 15 | 12.00% | $300,190 | $36,023 | $7,136 | | |
| 16 | 9.00% | $289,813 | $26,083 | $15,612 | | |
| 17 | 8.00% | $269,496 | $21,560 | $15,920 | | |
| 18 | 5.00% | $244,656 | $12,233 | $13,644 | | |
| 19 | 4.00% | $210,489 | $8,420 | $4,161 | | |
| 20 | 4.00% | $172,508 | $6,900 | -$6,814 | $6,814 | $1,635 |
| 21 | 4.00% | $133,009 | $5,320 | -$16,770 | $16,770 | $3,354 |
| 22 | 4.00% | $91,929 | $3,677 | -$25,529 | $25,529 | $4,085 |
| 23 | 4.00% | $49,206 | $1,968 | -$32,893 | $32,893 | $3,947 |
| 24 | 4.00% | $4,775 | $191 | -$38,642 | $38,642 | $3,091 |
| 25 | 4.00% | -$41,434 | -$1,657 | -$42,532 | $42,532 | $1,701 |
| 26 | | | | | | |

Fig. 19

600
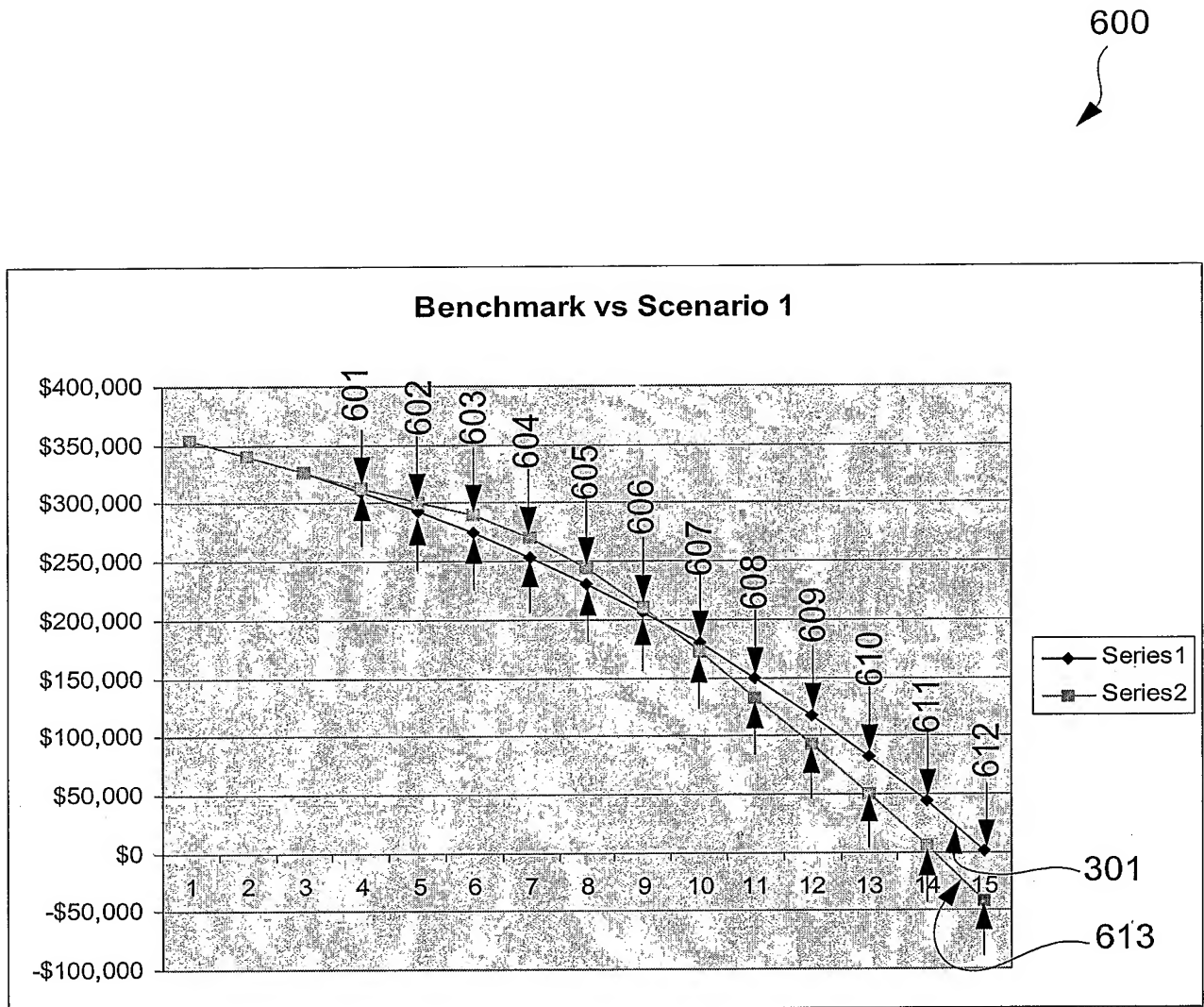


Fig. 20

700

| | N | O | P | Q | R | S |
|---|---|---|---|---|---|---|
| 9 | **SCENARIO 2** | | | | | |
| 10 | market yield | amount of money in the market | earnings on money in market | deviation from benchmark | additional loan needed | capitalised interest on additional loans |
| 11 | 9.40% | $353,600 | $33,238 | $0 | | |
| 12 | 9.40% | $340,438 | $32,001 | $0 | | |
| 13 | 10.00% | $326,040 | $32,604 | $0 | | |
| 14 | 11.00% | $312,244 | $34,347 | $1,956 | | |
| 15 | 12.00% | $300,190 | $36,023 | $7,136 | | |
| 16 | 11.00% | $289,813 | $31,879 | $15,612 | | |
| 17 | 10.00% | $275,293 | $27,529 | $21,716 | | |
| 18 | 9.00% | $256,422 | $23,078 | $25,409 | | |
| 19 | 9.00% | $233,100 | $20,979 | $26,772 | | |
| 20 | 9.00% | $207,679 | $18,691 | $28,356 | | |
| 21 | 9.00% | $179,970 | $16,197 | $30,191 | | |
| 22 | 9.00% | $149,767 | $13,479 | $32,309 | | |
| 23 | 10.00% | $116,846 | $11,685 | $34,747 | | |
| 24 | 9.00% | $82,131 | $7,392 | $38,715 | | |
| 25 | 10.00% | $43,123 | $4,312 | $42,025 | | |

Fig. 21

800

### Benchmark vs Scenario 2
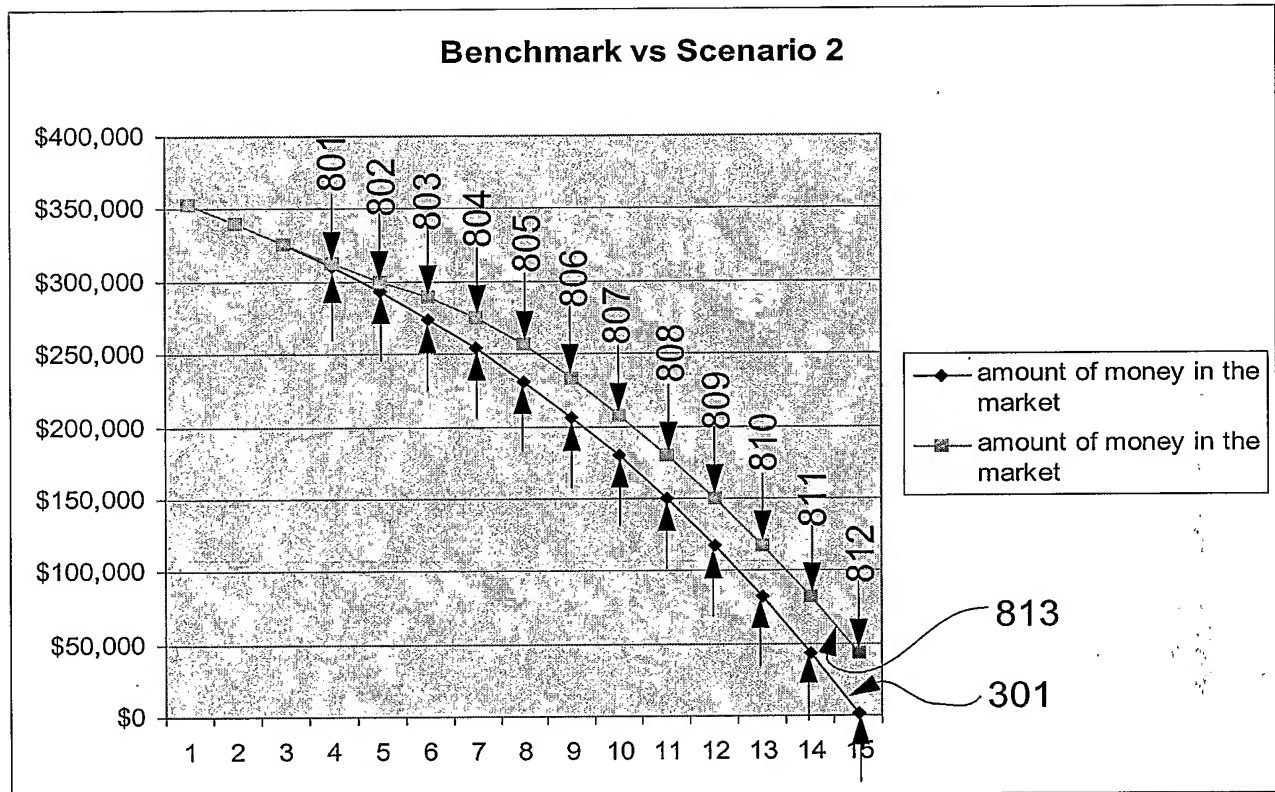


| | F | G |
|---|---|---|
| 4 | loan to be repaid at end of term (Scenario 1) | $356,877 |

814

Fig. 22